

APPROPRIATION FOR DROUGHT RELIEF

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LETTER

FROM

THE SECRETARY OF AGRICULTURE,

TRANSMITTING

IN RESPONSE TO SENATE RESOLUTION NO. 479, CERTAIN INFORMATION RELATIVE TO THE \$20,000,000 CONTAINED IN THE INTERIOR DEPARTMENT APPROPRIATION BILL FOR DROUGHT RELIEF

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FEBRUARY 17 (calendar day, MARCH 2), 1931.—Ordered to lie on the table and be printed

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DEPARTMENT OF AGRICULTURE,  
*Washington, March 2, 1931.*

The PRESIDENT OF THE SENATE.

DEAR MR. PRESIDENT: Replying to the request contained in S. Res. 479, I have the honor to inform the Senate that because of the extended debate upon the appropriation of \$20,000,000 contained in the Interior Department bill, and because of the uncertainty as to the provisions of the act, it was not possible to work out the administration and accounting problems entailed until the act was finally passed and its provisions definitely known.

Under clause (1) of the second paragraph of the appropriation, loans are authorized to individuals for the purpose of assisting in forming like agricultural credit corporations, livestock loan companies, and local organizations, or of increasing the capital stock of such corporations. The intermediate credit bank system, the Federal reserve system, the General Accounting Office and other agencies are, incidentally, involved in the administration of this clause. Many conferences have been held with them in order that our regulations might not conflict with their regular course of business. It has been necessary to call in from the field representatives of each of the intermediate credit banks which do business in the drought area. It has been necessary, also, to create State committees whose duties are to assist the department in obtaining the widest possible distribution of the funds and the maximum usefulness of the agricultural credit

corporations to be set up. The plan of administration and the necessary instructions, forms and legal documents were completed and delivered to the Government Printing Office several days ago. With commendable cooperation and efficiency, the Public Printer has delivered to us this morning the completed printed material, which is to-day being forwarded to the State committees, which have been set up in nearly every State affected.

Under clause (2) of the second paragraph of the appropriation, dealing with agricultural rehabilitation, difficult questions of accounting, of definition and of regulation have been encountered. It is desirable to use the emergency organization already created for the administration of Public Resolution 112, appropriating \$45,000,000 for loans for feed, seed and fertilizer, but at the same time the accounting must be kept separate. The regulations and instructions have been completed and telegraphed to each of the field officers of the department for their guidance.

There exists now no reason why applications for loans under any and all sections of Public Resolution 112 and the \$20,000,000 appropriation may not now be received and payment made shortly thereafter.

Sincerely,

ARTHUR M. HYDE, *Secretary.*

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